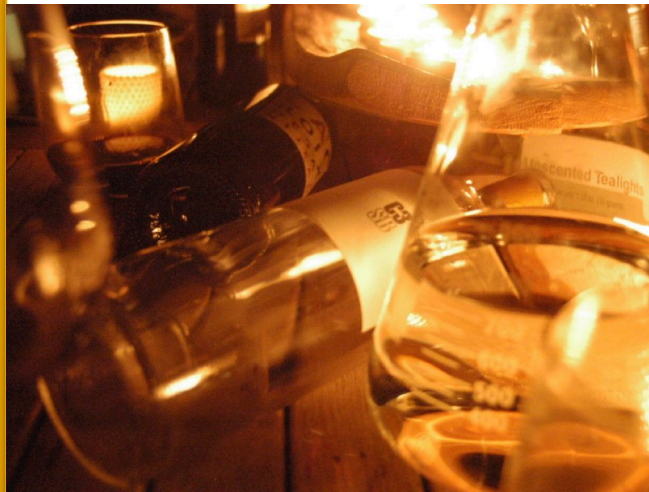




Our Wines

2011 was a sustainably grown hillside small-berry Cabernet Sauvignon and promises to be the finest of the Cabernets yet produced, characterized by dark brooding fruit 2010 was the first white wine in the C3 family, a Sauvignon Blanc made in a crisp and refreshing but rich and flavorful style. It was dubbed 'C3SB'. 2007 was a 100% Cabernet Sauvignon sourced by the winemaker for the legendary Screaming Eagle. It is a rich, complex wine that continues to evolve and offer rich chocolate and spice for days after it is opened. 2006 a remarkable wine from 100% Syrah mainly sourced from the Old Lakeville Road area of the Sonoma County coast. It has beaten commercial wines from the same source in taste tests and continues to get better and better. 2005 was the landmark C3 Oakville Cabernet Sauvignon sourced by possibly Napa's greatest wine alchemist, Abe Schooner. It continues to be hailed by all who try it. Only two cases remain



Winery History

'C3' was the label placed on a barrel of Napa Valley Cabernet Sauvignon in the dim caves of White Rock Vineyards' winery in 2004, our first vintage. It stood for 'Chuck Covell Cab' but the name stuck. It no longer signifies just a cabernet sauvignon wine, but a whole family of wines: C3, C3SB, and MC2.

It has become an annual collaborative creative project in a spirit of fun and experimentation for those with a love for wine and the fun of making and sharing it.

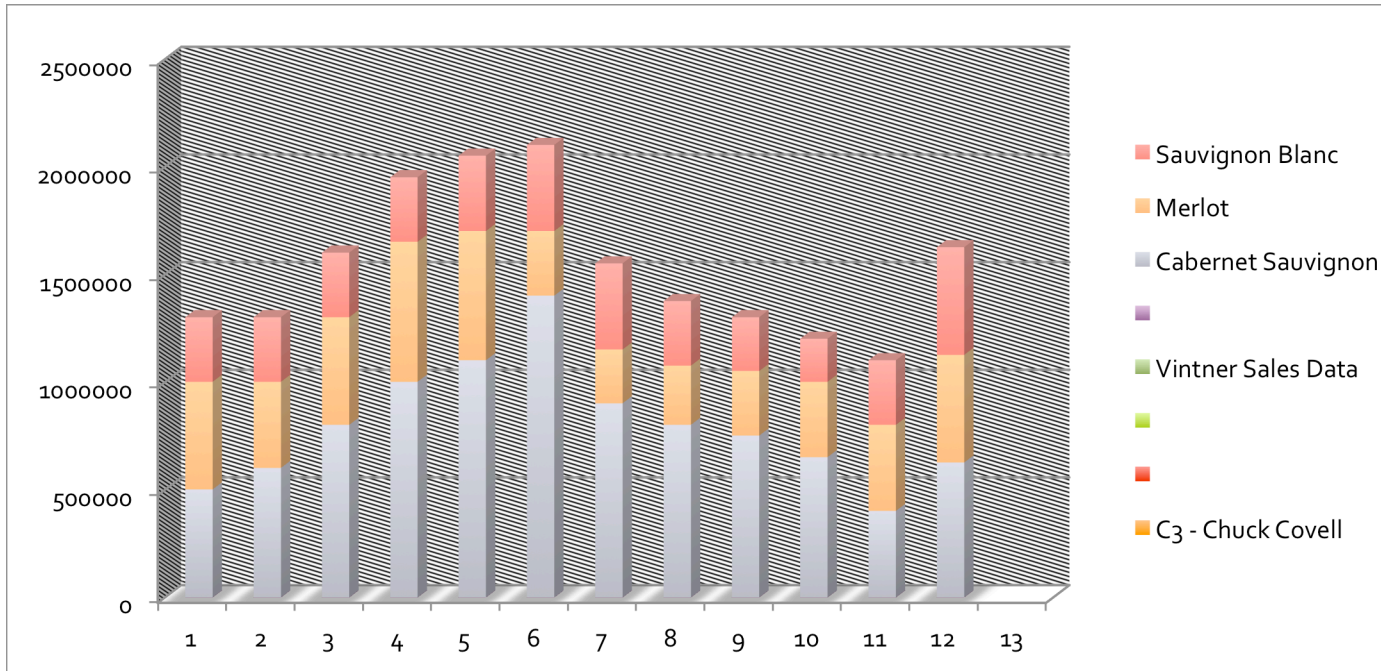
The project is an ongoing nexus of not only the expression of the finest grapes that can be procured, but the talented people that the Napa Valley cultivates. Since it is not a commercial operation, we are free to push the envelope, experiment, and share both the process and the product freely.

Covell Family



2011 Sales Summary

2012 looks like it could be a winner year for the Napa Valley grape harvest. Forecasts predict that the region will experience consistently warm days from spring through Fall. Some fear that there could be an excessive number of heat spikes that could kill the berries, but most meteorologists don't see this happening. Last year, the problem was a cool season that averaged temperatures in the low 80s that made it difficult for the fruit to ripen. The fruit was still on the vines when storms were threatening in October. Not this year. Most farmers feel they should be able to have the fruit harvested by late September. The real concern is the lack of rain this year. So far, the region has received only forty percent of normal rainfall. Lack of rain could stress the vines. The good news is that the reservoirs and water tables are very healthy as a result of an abundant rainfall in the previous two years. This coupled with moderate temperatures should provide minimal water concerns. Cabernet and Chardonnay sales are projected to increase as the economy continues to rebound (see graph). Merlot sales are a concern though. Merlot sales had begun to stagnate prior to the recession and now as the other varietals rebound, Merlot sales remain flat. It is believed that many Merlot drinkers are switching to other varietals, which explains the lackluster sales.



2012 Harvest & Sales Projections

Cabernet Sauvignon. Due to dwindling inventories the 2011 vintage marked the return of Cabernet Sauvignon to the C3 lineup. This most popular of Napa varietals had not been produced since the 2007 vintage. It is the most popular of the C3 wines and has moved briskly in the past. We expect the 2011 C3 Cabernet Sauvignon to be bottled in 2013 and for demand to be strong. **Sauvignon Blanc.** Of the 27 cases produced almost half have been consumed. This white wine has been an instant hit and will likely see increased demand in the

summer months. **Merlot.** The 2009 vintage Merlot (MC2) has been starting to drink really well. It is seeing marked increase in demand with rave reviews. This varietal may have to be produced again in the near future to ensure sufficient quantities are available to meet future demand. **Syrah.** Despite great popularity Syrah inventories from 2006 remain and the wine continues to drink well. Syrah is a traditionally a wine that underperforms its caliber and may be 'ripe' for an innovative marketing strategy.